REMARKS

In a Non-Final Office Action dated July 12, 2007, the Examiner rejected Claims 39, 41, and 44-51 under 35 U.S.C. § 112, second paragraph, and under 35 U.S.C. § 103 in light of *Isola et al.* (United States Patent No. 3.613.133).

To address the noted informality under 35 U.S.C. § 112, the Applicant has amended the independent claim, Claim 39, to include a limitation: a "generally planar sheet of textile material" as a locus for the textile material.

It is well-established law that, for a proper rejection of a claim under 35 U.S.C. § 103 as being obvious based upon a combination of references, the cited combination of references must disclose, teach, or suggest, either implicitly or explicitly, all elements, features and steps of the claim at issue. See, e.g., In Re Dow Chemical, 5 U.S.P.Q.2d 1529, 1531 (Fed. Cir. 1988), and In re Keller, 208 U.S.P.Q.2d 871, 881 (C.C.P.A. 1981). Glaverbel S.A. v. Northlake Mkt'g & Supp., Inc., 45 F.3d 1550, 33 USPQ 2d 1496 (Fed. Cir. 1995) ("the claimed process, including each step thereof, must have been described or embodied, either expressly or inherently.") (Emphasis added.) As clearly articulated in M.P.E.P. § 2143.03, "[to] establish prima facie obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art." In re Royka, 490 F.2d 981, 180 U.S.P.Q. 580 (C.C.P.A. 1974). "All words in a claim must be considered in judging the patentability of that claim against the prior art." In re Wilson, 424 F.2d 1382, 1385, 165 USPO 494, 496 (C.C.P.A. 1970). (Emphasis added.)

The Supreme Court of the United States and the Federal Circuit Court of Appeals have provided further guidance for resolving the question of obviousness. "An obviousness determination is **not the result of a rigid formula** disassociated from the consideration of the facts of a case. Indeed, the common sense of those skilled in the art demonstrates why some combinations would have been obvious where others would not. See KSR Int'l Co. v. Teleflex Inc., 127 S.Ct. 1727, 1739, 167 L.Ed.2d 705 (2007)." Leapfrog Ent., Inc. v. Fisher-Price, Inc., 485 F.3d 1157, 82 USPQ2d 1687 (Fed. Cir. 2007). (Emphasis added.)

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701 Fifth Avenue, Suite 4800 Seattle, Washington 98104 206.381.3300 • F: 206.381.3301 In KSR, supra, the Supreme Court articulated guidelines for determining obviousness. One of the guidelines requires that there be some benefit from the proposed modification. ("A person having ordinary skill in the art could have combined Asano with a ... sensor ..., and would have seen the benefit of doing so." Id. at 1743 (Emphasis added). "The proper question to have asked was whether ... [a person] of ordinary skill [in the art] ... would have seen a benefit to upgrading Asano with a sensor." Id. at 1743 (Emphasis added).)

"Although common sense directs caution as to a patent application claiming as innovation the combination of two known devices according to their established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in the art to combine the elements as the new invention does. Inventions usually rely upon building blocks long since uncovered, and claimed discoveries almost necessarily will be combinations of what, in some sense, is already known." Id. at 1731 (Emphasis added).

In KSR, supra, the Supreme Court noted that it will be necessary for a court "to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue. To facilitate review, this analysis should be explicit." KSR Intern. Co. v. Teleflex Inc., 127 S.Ct. 1727, 1741, 1746 (2007). "[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." Id. at 1746, quoting In re Kahn, 441 F.3d 977, 988 (CA Fed. 2006). (Emphasis added.)

In decisions decided after KSR, supra, the Board of Patent Appeals and Interferences has failed to sustain obviousness type rejections when the Examiner has failed to make a proper prima facie case of obviousness. See Ex parte Katoh et al, Appeal 2007-1460 (obviousness rejection not sustained because there was "no evidence or suggestion" in the reference for the alleged configuration); and Ex parte Crawford et al, Appeal 2006-2429 (obviousness rejection not sustained because there was no suggestion to combine the references in the manner suggested by the Examiner except for using the Appellants' invention as a template through hindsight reconstruction of Appellants' claims).

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The Examiner is respectfully reminded of the prior Office Action dated February 7, 2007. wherein the Examiner stated that Claims 39, 41, and 44-50 would be allowable "if rewritten or amended to overcome the rejection under 35 USC §112."

Now, to in the reject the claims, the Office Action relies upon citation to the Isola reference for an isolated teaching that there exist means of affixing the claimed illustration to the blanket; i.e. that an illustration of as taught in the instant specification "can be placed on a blanket including scenes, articles and persons, etc." (Page 2, Office Action dated 12 July 2007) as present in the prior art. The claims are not now, nor in the course of prosecution have the claims been about the process by which the illustrations are placed upon the label or blanket. The prosecution of the application has never asserted that the point of novelty is a method for placing illustrations on blankets; but rather the focus of the claims throughout has been the specific nature of the content of the illustrations as particularly helpful when placed upon a blanket to enable parents to swaddle their infant.

Should the Examiner persist that these claims directed to the affixing of these illustrations on the blanket are obvious, the Examiner is invited to review the attached declarations by persons skilled in the art, implicating the secondary considerations as to obviousness. Attachment 1 is the Declaration of Lynette Damir, R.N., the inventor of the invention taught in the instant application; Attachment 2 is the declaration of Pamela Jordan, Ph.D., R.N. Each of the declarations addresses the absence of a similar product in the marketplace. Both go on to assert additional indicia of uniqueness of the instant invention in the manner set forth as "secondary considerations" in Graham v. John Deere Co., 383 U.S. 1 (1966), where the United States Supreme Court clarified the nonobviousness requirement in United States patent law, set forth in 35 U.S.C. § 103. This Response incorporates the two attachments by this reference.

The Patent Act of 1952 added 35 U.S.C. § 103, which added the statutory requirement of nonobviousness. The section essentially requires a comparison of the subject matter sought to be patented and the prior art, in order to determine whether or not the subject matter of the patent as

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701 Fifth Avenue, Suite 4800 Seattle, Washington 98104 206.381.3300 • F; 206.381.3301 a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art. In *Graham*, the Supreme Court held that, although patentability is a matter of law, § 103 required a determination of the following questions of fact to resolve the issue of obviousness:

- · the scope and content of the prior art;
- the level of ordinary skill in the prior art;
- · the differences between the claimed invention and the prior art; and

In addition, the Court mentioned "secondary considerations" which could serve as indicia of nonobviousness. They include:

- · commercial success;
- · long-felt but unsolved needs; and
- failure of others.

In KSR, cited above, The Supreme Court reaffirmed the importance of secondary considerations when reviewing an application for patentability. The policy of the United States Patent and Trademark Office is to follow Graham v. John Deere. M.P.E.P. § 2141. A procedure for evaluating an application in light of the Graham case is set forth at M.P.E.P. § 2141, which requires that objective evidence must be considered.

As Mrs. Damir points out, the blanket has enjoyed tremendous commercial success especially in discriminating markets as well as a long-felt need, the failure of others, and copying by others. As the Examiner certainly is aware, the Courts have held that such evidence is suitably conclusive on the issue of non-obviousness: Copying, praise, unexpected results, and industry acceptance –Allen Archery, Inc. v. Browning Mfg. Co., 819 F.2d 1087, 1092, 2 USPQ2d 1490, 1493 (Fed. Cir. 1987); and copying – Diversitech Corp. v. Century Steps, Inc., 850 F.2d 675,679, 7 USPQ2d 1315, 1319 (Fed. Cir. 1988). In light of the supplied evidence, the claims are not obvious. The Applicant asserts that the rejection based on obviousness can no longer stand in light of this evidence of secondary considerations. The declarations both go on to show that not

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only is the blanket as claimed useful but that it has been embraced by the community of parents

of infants; the industry has adopted the blanket. Industry adoption is an appropriate secondary

consideration militating for a finding of non-obviousness.

To cure the informalities, the Applicant amended the specification to make constant

references to the first-fold, second-fold and third-fold illustrations, following through on the

prior Response to Office Action amending claim 39. No new matter has been added to the

application.

The claims now stand in a formal and allowable state. The applicant thanks the Examiner

for the thorough and well-reasoned examination of the claims.

CONCLUSION

Having addressed the issues set forth in the Office Action and further having amended

the complaint to cure the noted informalities, the Applicant respectfully asserts that the

Application stands in a condition for allowance. Applicant respectfully requests that any

questions this Response evokes with the Examiner be addressed to Applicant's attorney, the

undersigned.

Respectfully submitted,

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